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## ADMINISTRATIVE HEARINGS

**WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY'S  
FOURTH REQUEST FOR INFORMATION TO  
TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12**

To: Travis County Municipal Utility District No. 12, by and through its attorney of record,  
J. Kay Trostle, Smith Trostle & Huerta LLP, 4401 Westgate Blvd., Suite 330, Austin,  
Texas 78701.

The West Travis County Public Utility Agency ("**WTCPUA**"). Respondent in the above-referenced contested case, attaches hereto as Attachment No. 1, and incorporates herein by this reference for all purposes, its Fourth Request for Information ("**RFI**") pertaining to Travis County Municipal Utility District No. 12 ("**TCMUD 12**") Rebuttal Testimony filed on March 24, 2015. Pursuant to SOAH Order No. 12, these RFIs are timely filed, and responses are due within 15 days.

Respectfully submitted,

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**ATTORNEYS FOR WEST TRAVIS COUNTY  
PUBLIC UTILITY AGENCY**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document was transmitted by fax, e-mail, hand-delivery and/or regular, first class mail on this 31st day of March, 2015, to the parties of record.



DAVID J. KLEIN

## ATTACHMENT NO. 1

The following paragraphs include instructions and definitions that apply to the requests for information that are contained in this discovery request. Unless otherwise clearly indicated within the context of a specific interrogatory herein, the definition of each term provided below applies whether the term is used or defined in the singular or plural.

You are directed to answer the following written questions fully and in writing, based on all information reasonably available to you or your attorney at the time your response is made.

In those instances when you choose to answer an RFI propounded herein by referring to a specific document or record, you are instructed to specify the same in sufficient detail to permit the West Travis County Public Utility Agency to locate and identify the records or documents from which the answer is to be ascertained as readily as could you.

You are under a continuing duty to supplement your answers to these RFIs if you discover that they were incomplete or incorrect when made, or if you discover that they are no longer complete and correct. Supplementation must be made reasonably promptly after you discover the need for supplementation.

## DEFINITIONS

1. **"You", "you", "Your" and/or "your"** refers to the Travis County Municipal Utility District No. 12, named as a Party to SOAH Docket No. 582-14-3382 by the presiding Administrative Law Judge's Order No. 1, currently styled as SOAH Docket No. 473-14-5144; PUC Docket No. 42866.
2. **"West Travis County Public Utility Agency" or "WTCPUA"** refers to its officers, employees, agents, representatives, attorneys, and all other natural persons, businesses or legal entities, presently or formerly, acting in concert with, under the direct or indirect control of, or on behalf of the WTCPUA.
3. **"Travis County Municipal Utility District No. 12" or "TCMUD 12"** refers to its officers, employees, agents, representatives, attorneys, and all other natural persons, businesses or legal entities, presently or formerly, acting in concert with, under the direct or indirect control of, or on behalf of Travis County Municipal Utility District No. 12.
4. The term **"Commission"** refers to the Public Utility Commission, an administrative agency of the State of Texas, and its Staff, Commissioners, any other natural person employed by and working for such agency.
5. The term **"Staff"** as used herein refers to the natural persons employed by and working for the Public Utility Commission in any capacity.
6. **"Document" and "documents"** are used herein in their broadcast sense as set forth in Tex. R. Civ. P. 192.3(b), and specifically include electronic information or magnetic data as

described in Rule 196.4. These words mean and include all written, printed, typed, recorded, or graphic matter of every kind and description, both original and copies, and all attachments and appendices. Without limiting the foregoing, the terms "Document" and "Documents" shall include all agreements, contracts, Communications, correspondence, letters, opinion letters, telegrams, telexes, telefaxes, messages, memoranda, records, reports, books, summaries or other records of telephone conversations or interviews, summaries or other records of personal conversations or interviews, minutes, summaries, or other records of meetings and conferences, statements obtained from witnesses, summaries or other records of negotiations, other summaries, diaries, diary entries, calendars, appointment books, time records, instructions, work assignments, forecasts, progress reports, statistical data, statistical statements, financial statements, work sheets, work papers, drafts, graphs, charts, tables, accounts, analytical records, consultants' and experts' reports, appraisals, bulletins, notes, notices, marginal notations, notebooks, telephone records, bills, statements, records of obligation and expenditure, invoices, lists, journals, printouts, compilations, tabulations, analyses, studies, surveys, expense reports, microfilm, microfiche, tape or disc recordings, sound recordings, video recordings, film, tape, photographs, programs and data compilations from which information can be obtained (including matter used in data processing), and other printed, written, handwritten, typewritten, recorded, stenographic, computer-generated, computer stored, magnetically-stored, optically-stored, or electronically stored matter and electronic information, however produced, prepared, reproduced, disseminated, made or stored in any data source. The words "Document" and "Documents" also include all copies of documents by whatever means made, except that where a document is produced, identical copies of it that do not contain any markings, additions, or deletions that are different from the original do not have to be separately produced.

7. The term "**communication**" includes, without limitation of its generality, statements, discussions, conversations, speeches, meetings, remarks, questions, answers, panel discussions and symposia, whether written or oral. The term includes, without limitation of its generality, both communications and statements which are face-to-face and those which are transmitted by any media such as intercoms, telephones, television, radio, or computer including electronic information.
8. The term "**electronic information**" includes, without limitation, the following: databases, data files, program files (e.g. .DOC, .DOCX, .TXT, .XLS, .WPD files), image files (e.g. .JPEG, .TIFF, .PDF files), email messages and files, voice mail messages and files, instant messaging messages, text messages, temporary files, system-history files, deleted files or emails, back up files and archival files, website files, website information stored in textual, graphical or audio format, cache files, and cookies.
9. The term "**data sources**" includes, without limitation, mainframe computers, network servers, internet ("web") servers, computers (including desktop, laptop and handheld computers), hard drives (including portable or temporary hard drives), flash drives (including thumb drives, secure digital cards or other flash memory devices), email servers, handheld devices like personal digital assistants and cell phones or smart phones (e.g. iPhones, BlackBerrys).

10. The terms "relate" or "relating" or "regarding" to any given subject, when used to specify a document, communication, statement, or correspondence mean any document, communication, statement or correspondence that constitutes, contains, evidences, embodies, reflects, identifies, states, discusses, refers to, deals with, or is in any manner whatsoever pertinent to that subject.
11. The term "identify," when used in reference to a natural person means to provide his or her (1) full name and (2) present or last known position or business affiliation, job title, employment address, and telephone number (designating which).
12. The term "identify" and "describe," when used in reference to facts, an event, or an allegation, means to include: (a) a detailed description of the facts, events, or allegation at issue; (b) the date or dates on which the facts or event occurred, or the time period involved in the events giving rise or relating to the allegation; (c) the name, address, telephone number, and affiliation of all persons involved in the facts, event, or allegation; and (d) the date, author, addressee or recipient, and type of document of any document relating to or concerning the event or allegation.
13. The term "Joyce" means Mr. Jay Joyce, witness for TCMUD 12 who has filed prefiled direct and rebuttal testimony in this case.
14. The term "Zarnikau" means Dr. Jay Zarnikau, witness for TCMUD 12 who has filed prefiled direct and rebuttal testimony in this case.
15. The term "DiQuinzio" means Mr. Joseph A. DiQuinzio, Jr., witness for TCMUD 12 who has filed prefiled direct and rebuttal testimony in this case.
16. The term "TCMUD 12 Agreement" means the "Wholesale Water Services Agreement between Lower Colorado River Authority and Travis County Municipal Utility District No. 12," dated October 22, 2009.
17. The term "2012 Amendment" means the "Agreement Regarding Transfer of Operations of the West Travis County Water System from the Lower Colorado River Authority, to the West Travis County Public Utility Agency," fully executed on July 12, 2012, but effective on March 19, 2012.
18. The term "Wholesale Water Services" shall have the meaning provided in Section 1.01 of the TCMUD 12 Agreement.

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By providing written responses to these requests for information below, you acknowledge that you have read and are familiar with the instructions and definitions included above.

- 4-1: Please provide a list of the case names, with citations, that Zarnikau is referring to on page 4, line 12 of Zarnikau's rebuttal testimony. If the cases are not included in a readily-available reporter service, please provide copies of such cases.
- 4-2: Does TCMUD 12 contend that WTCPUA has a franchise to provide wholesale water services to TCMUD 12?
- 4-3: Does TCMUD 12 contend that WTCPUA needs a franchise to provide wholesale water services to TCMUD 12?
- 4-4: What does Zarnikau mean by the term "significant addition" on page 25, line 22 of his rebuttal testimony?
- 4-5: What does Zarnikau rely upon for his statement that the cost of a new system would be a "significant addition to what TCMUD 12's consumers have already paid," stated on page 25, lines 21-23 of his rebuttal testimony? Provide all materials reviewed by Zarnikau in making this statement.
- 4-6: Refer to page 16, lines 1 through 8 of Zarnikau's rebuttal testimony.
- a. Does Zarnikau contend that LCRA was a monopoly with respect to the provision of Wholesale Water Services before the Suppliers acquired the water system from LCRA? Explain your response.
  - b. If it is Zarnikau's opinion that the LCRA was a monopoly with respect to the provision of Wholesale Water Services to TCMUD 12 before it sold its water system to the WTCPUA, then is it Zarnikau's opinion that LCRA had disparate bargaining power with respect to its provision of Wholesale Water Services to TCMUD 12? Explain your response.
  - c. If it is Zarnikau's opinion that the LCRA was a monopoly with respect to providing Wholesale Water Services to TCMUD 12 before it sold its water system to WTCPUA, then is it Zarnikau's opinion that LCRA had exclusive control over prices and quantities sold to TCMUD 12? Explain your response.
  - d. If it is Zarnikau's opinion that the LCRA was a monopoly with respect to providing Wholesale Water Services to TCMUD 12 before it sold its water system to WTCPUA, explain why TCMUD 12 did not file a petition with the Texas regulatory agency exercising appellate jurisdiction over Wholesale Water Service rates to appeal the rates of LCRA that were adopted prior to selling the water system to WTCPUA?

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- 4-7: Refer to page 16, lines 24-27 of Zamikau's rebuttal testimony. Please explain any differences in market power with respect to wholesale water services between the LCRA and the Suppliers.
- 4-8: Refer to page 24, lines 18-25 of Zamikau's rebuttal testimony. Please explain any differences in bargaining power between LCRA and TCMUD 12, as compared to WTCPUA and TCMUD 12, with respect to Wholesale Water Services.

Refer to DiQuinzio's rebuttal testimony for RFIs 4-9 – 4-20.

- 4-9: What time period does DiQuinzio refer to in his use of the word "then" on page 4, line 12?
- 4-10: What time period does DiQuinzio refer to in his use of the word "then" on page 7, line 28?
- 4-11: What time period does DiQuinzio refer to in his use of the words "were not" on page 10, line 11?
- 4-12: What time period does DiQuinzio refer to in his use of the words "does not" on page 10, line 18?
- 4-13: Explain why DiQuinzio contends that Lakeway Municipal Utility District is not an alternative service provider as asserted by DiQuinzio on page 4, lines 12-14?
- 4-14: What time frame is DiQuinzio referring to on page 5, line 2, beginning with "In addition" and ending on page 5, line 5, with "large"?
- 4-15: What time period does DiQuinzio refer to in his use of the word "now" on page 14, line 8?
- 4-16: How many retail water customers did TCMUD 12 have on January 1, 2008 that were served with water treated by LCRA? Please provide the same information for January 1, 2009, January 1, 2010, January 1, 2011, and January 1, 2012.
- 4-17: How many retail water customers did TCMUD 12 have on January 1, 2013, and January 1, 2014 that were served with water treated by WTCPUA?
- 4-18: Refer to page 6, lines 2-6 of DiQuinzio's rebuttal testimony.
- a. Please produce a copy of such contract:



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- b. Please identify the section in such contract that TCMUD 12 contends that obligates TCMUD 12 to make the installment payments.
  - c. Please describe the purpose of the installment payment.
  - d. Does TCMUD 12 contend that the installment payment is the monthly fee or volumetric rate that is the subject matter of this proceeding? If your answer is "yes," provide a detailed explanation for that response.
- 4-19: Refer to page 7, line 3 of DiQuinzio's rebuttal testimony. What does DiQuinzio mean by "concessions"?
- 4-20: Did TCMUD 12 undertake an analysis or comparison of rates it would likely pay if it had switched from the WTCPUA to another provider? If yes, please provide a copy of the analysis/comparison, the date that the analysis/comparison was performed, who performed the analysis/comparison, and to whom the analysis/comparison was presented.

The following RFIs refer to the rebuttal testimony of Joyce:

- 4-21: Did Joyce participate in the development of the wholesale rate rules in 1994 at the Texas Water Commission? If yes, please describe the extent of his participation, who he represented in such participation, and whether he submitted comments on behalf of any person or entity in such rulemaking proceeding.
- 4-22: Provide a copy of Joyce's testimony in the Arlington-Fort Worth case referenced on page 12, lines 15-17.
- 4-23: Provide a detailed listing of every proceeding at the Texas Water Commission or its successor agencies in which the Commission determined that a change in the method used to allocate costs (i.e., cost allocation) is a change in the methodology for the computation of the revenue requirement. Provide all testimonies and orders related to each cited proceeding.
- 4-24: Provide a detailed listing of every proceeding at the Texas Water Commission or its successor agencies in which the Commission determined that a change in the method used to allocate costs (i.e., cost allocation) is a change in the methodology for the computation of the rate. Provide all testimonies and orders related to each cited proceeding.
- 4-25: Provide a detailed listing of every proceeding at the Texas Water Commission or its successor agencies in which the Commission has determined that a change in the method used to design rates is a change in the methodology for the computation of the revenue requirement. Provide all testimonies and orders related to each cited proceeding.

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- 4-26: Provide a detailed listing of every proceeding at the Texas Water Commission or its successor agencies in which the Commission has determined that a change in the method used to design rates is a change in the methodology for the computation of the rate. Provide all testimonies and orders related to each cited proceeding.
- 4-27: Does TCMUD 12 contend that WTCPUA has the unilateral right to change the rates charged to TCMUD 12 under the "TCMUD 12 Agreement"?
- 4-28: Does TCMUD 12 contend that WTCPUA has the unilateral right to change the rates charged to TCMUD 12 under the "2012 Amendment"?
- 4-29: Please provide the WTCPUA documents which provide the algebraic depiction of the WTCPUA's change in revenue requirement as alleged on Page 18, lines 9-10 of Joyce's rebuttal testimony.
- 4-30: Please reference page 38, lines 5-6 of Joyce's rebuttal testimony. Please provide documentation relied upon by Joyce to support the assertion that "performing cost allocation and rate design" means "determining the cost to provide service."
- 4-31: How many retail water service connections does TCMUD 12 anticipate serving with water that is treated by WTCPUA when TCMUD 12 is fully developed?
- 4-32: How many living unit equivalents of retail water service does TCMUD 12 anticipate serving with water that is treated by WTCPUA when the TCMUD 12 is fully developed?
- 4-33: When does TCMUD 12 anticipate being fully developed?
- 4-34: Please reference page 44, lines 7-9 of Joyce's rebuttal testimony. Please provide documents relied upon by Joyce to support his claim that the meetings were structured as "informal knowledge-sharing meetings."
- 4-35: Please provide copies of Joyce's notes from all WTCPUA wholesale customer meetings held at the WTCPUA office on January 28, 2013, March 25, 2013, April 1, 2013, April 9, 2013, May 6, 2013, and May 14, 2013.
- 4-36: Please refer to page 49, lines 14-15 of Joyce's rebuttal testimony. Please provide documentation relied upon by Joyce to support his contention that the rates were a "ploy to encourage wholesale customers to sign amendment to rate methodology so their rates could skyrocket in the future."
- 4-37: Please refer to page 50, lines 12-15 of Joyce's rebuttal testimony. Please provide the basis for the statement "[b]ecause the 2012 rate methodology was going to result in increases to retail customers, the PUA had to devise a new rate methodology ...."

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- 4-38: Please refer to page 44, lines 27-28 of Joyce's rebuttal testimony. Please provide documentation relied upon by Joyce to support his claim that the rates "would cost wholesale customers millions of additional dollars over the existing rate methodology."
- 4-39: Please refer to pages 45, line 28 through page 46, line 3 of Joyce's rebuttal testimony.
- a. Explain the purpose of taking votes by the Committee.
  - b. Explain whether the City of Austin was bound to take any actions regarding its water rates based upon the votes taken by the Committee.